



A New Day for the Civil Service

Authority to Redeposit of Refunds under FERS Overview

February 2011

“Quality Benefits for the Federal Family”

A vertical strip on the left side of the slide shows a close-up of the American flag, focusing on the blue field with white stars and the red and white stripes.

FERS Redeposits

- Background:
 - Section 1904 of the National Defense Authorization Act (NDAA) for Fiscal Year 2010, **Public Law 111-84**, enacted October 28, 2009, allows the redeposit of FERS refunded service

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FERS Redeposits

- Eligibility under PL 111-84
 - Applies to employees in a position covered under FERS on or after October 28, 2009
 - Affects annuity benefits based on a separation from FERS coverage on or after October 28, 2009

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FERS Redeposits

- Eligible Service
 - Service covered by a refund of FERS deductions
 - Service covered by a refund of CSRS deductions that is credited under FERS rules

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FERS Redeposits

- Effect of NOT Paying the Redeposit
 - Service will only be creditable for determining an employee's retirement eligibility
 - Service will not be creditable for calculating the amount of an employee's annuity benefit

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FERS Redeposits

- Effect of Paying the Redeposit
 - Service will be creditable for determine an employee's retirement eligibility
 - Service will be creditable for calculating the amount of an employee's annuity benefits

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FERS Redeposits

- Applying to Make the Redeposit
 - Complete the current FERS Application to Make a Deposit, SF 3108
 - Indicate on the application the period of service was refunded
 - Send the completed application through your agency for certification
 - DO NOT send a payment with the application

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FERS Redeposits

- Agency certifies and mails the completed application to:

Office of Personnel Management
Retirement Operations Center
PO Box 45
Boyers, PA 16025

OR

Faxes it to 724-794-1351

A vertical strip on the left side of the slide showing the stars and stripes of the United States flag.

FERS Redeposits

- OPM Process
 - Search our files for all records upon receipt of application
 - Assign a CSD claim number
 - Calculate the amount due plus interest

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FERS Redeposits

- Interest is computed from the date of the refund through December 31 of the year before the one in which it is paid in full
- Interest is charged at a variable rate determined annually by the Department of Treasury
- Interest accrues annually on the outstanding portion due

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FERS Redeposits

- Send a statement advising of the amount due and where to send payments
 - Payment may be made in one or more installments (minimum payment of \$50) but must be completed before final processing of the retirement or survivor benefit annuity
- If you apply to make a FERS deposit and a redeposit, OPM will assign two claim numbers and you will receive two separate statements

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FERS Redeposits

- At Retirement
 - If the redeposit is not complete:
 - OPM will compute the actual amount still owed
 - Send a letter with an election to make a lump sum payment for the balance within **30 days**

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FERS Redeposits

- If the redeposit is not paid before final processing of the retirement benefit:
 - OPM will refund any partial payment
 - Credit will **NOT** be given for the FERS service in the annuity computation
- If the redeposit is paid in full:
 - You will receive **FULL** credit for the service in the annuity computation

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FERS Redeposits

Questions?

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